

First Steps in C. S. A.

17. CO-OPERATIVE ECONOMIC ORGANISATIONS

(Continued)

Section V.—Co-operative Organisation and Social Reconstruction

From the viewpoint of the middle class wage-earner, who is both a producer (worker) and a consumer, the co-operative organisation of society is best suited to give him that economic stability which neither the economics of Capitalism nor of Socialism has been able to furnish. Precisely because private property (i.e., capital) in the co-operative organisation is *democratically controlled* and put at the service of the community, the misuse of private property, which is the root cause of our modern social ills, is thus removed. Co-operative organisation restores to private property its social function, and though built upon private property, such an organisation goes a long way towards establishing a better distribution of private property without the dangers of State control or nationalisation.

Co-operative organisation tends to eliminate the one of the greatest evils of industrial and commercial society, the struggle between workers and employers. The reasons for this are easy to understand. *Firstly*, as we have seen, both Trade Unionism and the co-operative movement are reactions to the ills of Capitalism. Just as the Trade Unions were founded to obtain for the workers better wages and conditions of life, so the Co-operative Movement was founded to give him more purchasing power with his money wages. *Secondly*, workers in a co-operative society understand that they are members of the organisation that employs them. No one has more votes, nor more control in the enterprise than the worker has. Moreover, the worker in a co-operative business soon realises that the more efficient his business, the more effectively are prices kept down in profit-business and thus the whole body of middle

class consumers are benefited. Lastly, workers as members of co-operative societies, like all other members, enjoy every facility to have a voice in the administration and control of co-operative business.

When honestly tried, co-operative Organisation has proved the most effective means to free the man in the street from the domination of economic dictatorship, whether of Capitalists or of the State; it makes for economic harmony, order and peace not by rigid planning or regimentation but by the people's consent. It implies self-discipline to ensure co-ordination, but it is sufficiently free to release creative powers; it secures welfare not to a few by competition but to the many by free and concerted economic action directed towards service and not profits, and lastly, within its own realm it trains directors of business to be true public servants. "The goal, then, of co-operation", says, Dr. Fauquet, "is to develop men — men imbued with the spirit of self-help and mutual aid, in order that individually they may rise to a full personal life and collectively, to a full social life." (*Le Secteur Co-opératif*, p. 44.)

Section VI.—The Co-operative Movement in India

In India, unfortunately, the Co-operative Movement got off to a wrong start. It grew from no popular demand on the part of the people as an attempt to free themselves from the evils of capitalistic industrialism. It was, in fact, and still is, in large measure, an attempt of the Government to teach the people self-help and thrift; and it was used to free the peasantry from large scale indebtedness. It is not surprising, therefore, that the earliest attempts at establishing co-operative societies in India were made by Law, which by means of successive Acts have set up the framework of the Co-operative Movement in India, mainly along Co-operative Credit lines. Thus, the Reserve Bank of India has its Agricultural Department which is also concerned with the financial side of the Co-operative Credit Banks in the country. In each State (Province) there exists a Provincial Bank, below which function the Central Banks of each Province; the smallest unit in the whole structure is the Primary Credit Society, which is guaranteed and supervised by the Union Banks.

Non-credit co-operative societies have made but little progress in the country. The following are, perhaps, the most representative

of such societies : Co-operative Marketing ; Better Farming ; Consolidation of Holdings ; Joint Farming and Co-operative Milk Supply.

The weakness of the Co-operative Movement in India derives from the following main causes :—

1. A lack of interest in and desire for social betterment among many people. It is a common experience of all social workers, that when the people themselves do not show any interest in their own social betterment, it is very difficult to help them. The Co-operative Movement, being a voluntary and free enterprise, can only succeed if the people are willing and ready to use it.

2. A lack of trust and mutual confidence. The fundamental idea of co-operation rests on the assumption that there exists a working measure of trust and confidence among those who wish to co-operate. Unfortunately, in India for reasons which we cannot discuss here, but whose effects are in daily evidence, the spirit of mutual trust and confidence among people is not sufficient to make for successful co-operation.

3. The lack of Co-operative Education. The success of the Co-operative Movement depends on the support it receives from the people, and not any law or edict of Government. Hence, unless the people are educated and taught the advantages of co-operation, its necessity, its rules and regulations, the Movement will remain sterile.

Section VII.—Co-operative Education

This education must begin in schools. The history of Co-operative Education in many countries shows that children from the Middle School Standards are quite capable of understanding the first principles of co-operative education.

The course followed must be realistic and practical, and therefore, must include both theory and practice. In the classes on the theory of co-operation, discussions may be introduced concerning those needs or commodities which the local community may secure through the medium of co-operatives. A very useful exercise is one which sets pupils working on possible plans for the establishment of co-operative societies.

In some countries, the practical instruction on co-operation takes the form of starting small co-operative societies in schools to cater for the simply ordinary needs of pupils, such as, pencils, pen-holders,

nibs and so on. Visits to well managed co-operative societies in the neighbourhood, and reports and criticisms written by pupils during such visits are of great educational value.

In Parishes whether Urban or Rural, co-operative education may be given through the medium of the local study circle.

READING :—

Co-operative Democracy, by J. P. Warbasse (Harper & Co., London).

Progressive Course of Catholic Social Action, pp. 23, 24.

The Economic and Political Life of Man, pp. 121-132.

EXERCISES AND FIELD WORK :—

1. Explain how co-operative societies restore the social function of private property.
2. Mention the advantages Co-operative Organisation has over both Capitalism and Socialism.
3. How would you remedy the defects of the Co-operative Movement in India?
4. Write a report on any co-operative society in your town or district.
5. What Laws in India control co-operative activity?

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